

**DETAILED ACTION**

1. Applicant's amendment filed 10/4/2010 is entered. Claims 15, 19, 51, 55, 87, 91 and 116 are amended. Claims 15, 19-20, 51, 55-56, 87, 91-92, 116 are pending for examination.

**EXAMINER'S AMENDMENT**

2. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

Authorization for this examiner's amendment was given in a telephone interview with applicant's attorney Karen L. Kaufman on 10/21/2010.

The application has been amended as follows:

Claim 51. (Currently Amended) A non-transitory machine-readable medium having instructions to cause a machine to perform a method to facilitate operation of a network-based commerce system, the method including:

with a network-based auction price-setting process, lowering a predefined reserve price associated with a listing of an item to a seller-adjusted reserve price during a network- based auction for the item price setting process; and

lowering a proxy bid of a buyer to a predetermined amount below the seller-adjusted reserve price when the proxy bid is higher than the seller-adjusted reserve price.

Claim 87 (Currently Amended) A method to facilitate operation of a network-based commerce system, the method including:

with a network-based auction price-setting process executed from a memory by a processor, lowering a predefined reserve price associated with a listing of an item to a seller-adjusted reserve price during a network- based auction for the item price setting process; and

lowering a proxy bid of a buyer to a predetermined amount below the seller-adjusted reserve price when the proxy bid is higher than the seller-adjusted reserve price.

Claim 116 (Currently cancelled).

3. The following is an examiner's statement of reasons for allowance: Claims 15, 19-20, 51, 55-56, 87, and 91-92 are allowed wherein claims 15, 51, and 87 are independent claims and the rest are dependencies of claims 15, 51 and 87.

With regards to independent claims 15, 51, and 87 the prior art of record, alone or combined, does neither disclose or render obvious a network-based auction price-setting process executed by a processor/machine comprising limitations, as a whole,

lowering a predefined reserve price associated with a listing of an item to a seller-adjusted reserve price during a network- based auction for the item price setting process and lowering a proxy bid of a buyer to a predetermined amount below the seller-adjusted reserve price when the proxy bid is higher than the seller-adjusted reserve price.

The reasons for allowance for all dependent claims are the same as set forth for claims 15, 51 and 87 above.

Discussion of prior art: The applicant's remarks filed 10/4/2010, see pages 6-7, are compelling and persuasive that Nishi (US PUB: 20020161691A10, Borgeson et al. (US PUB:20030236739) alone or combined, does neither disclose or render obvious a network-based auction price-setting process executed by a processor/machine comprising limitations, as a whole, lowering a predefined reserve price associated with a listing of an item to a seller-adjusted reserve price during a network- based auction for the item price setting process and lowering a proxy bid of a buyer to a predetermined amount below the seller-adjusted reserve price when the proxy bid is higher than the seller-adjusted reserve price.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C. Garg whose telephone number is 571-272-6756. The examiner can normally be reached on Increased Flex/Hoteling.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on 571-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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